

## SENATE BILL NO. 497

INTRODUCED BY S. KITZENBERG

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4 A BILL FOR AN ACT ENTITLED: "AN ACT CREATING THE EDUCATIONAL STATE PARK NEAR FORT  
5 PECK; DIRECTING THAT \$5.5 MILLION FROM THE COAL TAX TRUST FUND FOR PARKS ACQUISITION  
6 AND MANAGEMENT BE USED BY THE DEPARTMENT OF FISH, WILDLIFE, AND PARKS TO PROVIDE  
7 GRANT FUNDING FOR CONSTRUCTION OF THE FORT PECK CULTURAL LEARNING CENTER ADJACENT  
8 TO THE FORT PECK DAM INTERPRETIVE CENTER AND MUSEUM AND AN I-MAX THEATER AS PART  
9 OF THE EDUCATIONAL STATE PARK; ESTABLISHING THE TRUST FUND AS AN EXPENDABLE TRUST  
10 FUND; AMENDING SECTION 15-35-108, MCA; AND PROVIDING AN EFFECTIVE DATE."

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12 WHEREAS, because of their relatively remote locations, northeastern Montana communities are  
13 uniquely challenged when it comes to attracting tourists and promoting economic development; and

14 WHEREAS, with the help of the state and federal governments, the Fort Peck Dam Interpretive  
15 Center and Museum is becoming a reality; and

16 WHEREAS, the Fort Peck Dam Interpretive Center and Museum will showcase the paleontological  
17 treasures that have been found in northeastern Montana; and

18 WHEREAS, the Fort Peck Dam Interpretive Center and Museum will also provide an opportunity  
19 for visitors to learn about the region's Indian heritage and customs, as well as the region's experience in  
20 the Homestead Era and the construction of Fort Peck Dam; and

21 WHEREAS, currently, there is no facility in the area large enough to accommodate large groups  
22 for meetings, conferences, or trade shows or, most importantly, for educational events; and

23 WHEREAS, a cultural learning center with a capacity of 500 people constructed adjacent to the  
24 museum would provide an ideal meeting space that would become a focal point for museum activities and  
25 educational opportunities such as traveling museum and art exhibits, teacher training, and classroom  
26 instruction; and

27 WHEREAS, a meeting space of this size may also attract organizations interested in locating  
28 conferences and conventions in the area, injecting much-needed funds into the local economy; and

29 WHEREAS, an I-MAX theater constructed near the museum grounds has the potential to attract  
30 numerous visitors to the Fort Peck area, also contributing to the local economy; and

1 WHEREAS, currently, there are no state parks in Region 6, the region in which Fort Peck is located;

2 and

3 WHEREAS, it is appropriate that the Fort Peck Dam Interpretive Center and Museum, the Fort Peck  
4 Cultural Learning Center, and the I-MAX theater be designated as part of a new state park in Region 6.

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6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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8 **Section 1.** Section 15-35-108, MCA, is amended to read:

9 **"15-35-108. (Temporary) Disposal of severance taxes.** Severance taxes collected under this  
10 chapter must, in accordance with the provisions of 15-1-501, be allocated as follows:

11 (1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by  
12 Article IX, section 5, of the Montana constitution. The trust fund money must be deposited in the fund  
13 established under 17-6-203(6) and invested by the board of investments as provided by law.

14 (2) Twelve percent of coal severance tax collections is allocated to the long-range building  
15 program account established in 17-7-205.

16 (3) The amount of 8.36% must be credited to an account in the state special revenue fund to be  
17 allocated by the legislature for local impacts, county land planning, provision of basic library services for  
18 the residents of all counties through library federations and for payment of the costs of participating in  
19 regional and national networking, conservation districts, and the Montana Growth Through Agriculture Act.  
20 Expenditures of the allocation may be made only from this account. Money may not be transferred from  
21 this account to another account other than the general fund. Any unreserved fund balance at the end of  
22 each fiscal year must be deposited in the general fund.

23 (4) The amount of 1.27% must be allocated to a ~~nonexpendable~~ an expendable trust fund for the  
24 purpose of parks acquisition or management. Income and principal from this trust fund ~~must~~ may be  
25 appropriated for the acquisition, development, operation, and maintenance of any sites and areas described  
26 in 23-1-102.

27 (5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the  
28 renewable resource loan debt service fund.

29 (6) The amount of 0.63% must be allocated to a trust fund for the purpose of protection of works  
30 of art in the capitol and for other cultural and aesthetic projects. Income from this trust fund must be

1 appropriated for protection of works of art in the state capitol and for other cultural and aesthetic projects.

2 (7) (a) Subject to subsection (7)(b), all other revenue from severance taxes collected under the  
3 provisions of this chapter must be credited to the general fund of the state.

4 (b) The interest income from \$140 million of the coal severance tax permanent fund that is  
5 deposited in the general fund is statutorily appropriated, as provided in 17-7-502, for the biennium ending  
6 June 30, 2001, as follows:

7 (i) \$65,000 to the cooperative development center;

8 (ii) \$1.25 million for the growth through agriculture program provided for in Title 90, chapter 9;

9 (iii) to the department of commerce:

10 (A) \$350,000 for business recruitment;

11 (B) \$125,000 for a small business development center;

12 (C) \$50,000 for a small business innovative research program;

13 (D) \$425,000 for certified communities;

14 (E) \$200,000 for the Montana manufacturing extension center at Montana state  
15 university-Bozeman; and

16 (F) \$300,000 for export trade enhancement; and

17 (iv) \$600,000 to the department of administration for the purpose of reimbursing tax increment  
18 financing industrial districts as provided in 7-15-4299. Reimbursement must be made to qualified districts  
19 on a proportional basis to the loss of taxable value as a result of Chapter 285, Laws of 1999, and as  
20 documented by the department of revenue. This documentation must be provided to the budget director  
21 and to the legislative fiscal analyst. The reimbursement may not be used to pay debt service on tax  
22 increment bonds to the extent that the bonds are secured by a guaranty, a letter of credit, or a similar  
23 arrangement provided by or on behalf of an owner of property within the district. (Terminates June 30,  
24 2001--sec. 10(1), Ch. 10, Sp. L. May 2000.)

25 **15-35-108. (Effective July 1, 2001) Disposal of severance taxes.** Severance taxes collected under  
26 this chapter must, in accordance with the provisions of 15-1-501, be allocated as follows:

27 (1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by  
28 Article IX, section 5, of the Montana constitution. The trust fund money must be deposited in the fund  
29 established under 17-6-203(6) and invested by the board of investments as provided by law.

30 (2) Twelve percent of coal severance tax collections is allocated to the long-range building

1 program account established in 17-7-205.

2 (3) The amount of 8.36% must be credited to an account in the state special revenue fund to be  
3 allocated by the legislature for local impacts, county land planning, provision of basic library services for  
4 the residents of all counties through library federations and for payment of the costs of participating in  
5 regional and national networking, conservation districts, and the Montana Growth Through Agriculture Act.  
6 Expenditures of the allocation may be made only from this account. Money may not be transferred from  
7 this account to another account other than the general fund. Any unreserved fund balance at the end of  
8 each fiscal year must be deposited in the general fund.

9 (4) The amount of 1.27% must be allocated to a ~~nonexpendable~~ an expendable trust fund for the  
10 purpose of parks acquisition or management. Income and principal from this trust fund ~~must~~ may be  
11 appropriated for the acquisition, development, operation, and maintenance of any sites and areas described  
12 in 23-1-102.

13 (5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the  
14 renewable resource loan debt service fund.

15 (6) The amount of 0.63% must be allocated to a trust fund for the purpose of protection of works  
16 of art in the capitol and for other cultural and aesthetic projects. Income from this trust fund must be  
17 appropriated for protection of works of art in the state capitol and for other cultural and aesthetic projects.

18 (7) (a) Subject to subsections (7)(b) and (7)(c), all other revenue from severance taxes collected  
19 under the provisions of this chapter must be credited to the general fund of the state.

20 (b) The interest income from \$140 million of the coal severance tax permanent fund that is  
21 deposited in the general fund is statutorily appropriated, as provided in 17-7-502, on an annual basis as  
22 follows:

23 (i) \$65,000 to the cooperative development center;

24 (ii) \$1.25 million for the growth through agriculture program provided for in Title 90, chapter 9;

25 (iii) to the department of commerce:

26 (A) \$350,000 for business recruitment;

27 (B) \$125,000 for a small business development center;

28 (C) \$50,000 for a small business innovative research program;

29 (D) \$425,000 for certified communities;

30 (E) \$200,000 for the Montana manufacturing extension center at Montana state

1 university-Bozeman; and

2 (F) \$300,000 for export trade enhancement; and

3 (iv) \$600,000 to the department of administration for the purpose of reimbursing tax increment  
4 financing industrial districts as provided in 7-15-4299. Reimbursement must be made to qualified districts  
5 on a proportional basis to the loss of taxable value as a result of Chapter 285, Laws of 1999, and as  
6 documented by the department of revenue. This documentation must be provided to the budget director  
7 and to the legislative fiscal analyst. The reimbursement may not be used to pay debt service on tax  
8 increment bonds to the extent that the bonds are secured by a guaranty, a letter of credit, or a similar  
9 arrangement provided by or on behalf of an owner of property within the district.

10 (c) Beginning July 1, 2001, there is transferred annually from the interest income referred to in  
11 subsection (7)(b) \$4.85 million to the research and commercialization expendable trust fund created in  
12 90-3-1002. (Terminates June 30, 2005--sec. 10(2), Ch. 10, Sp. L. May 2000.)

13 **15-35-108. (Effective July 1, 2005) Disposal of severance taxes.** Severance taxes collected under  
14 this chapter must, in accordance with the provisions of 15-1-501, be allocated as follows:

15 (1) Fifty percent of total coal severance tax collections is allocated to the trust fund created by  
16 Article IX, section 5, of the Montana constitution. The trust fund money must be deposited in the fund  
17 established under 17-6-203(6) and invested by the board of investments as provided by law.

18 (2) Twelve percent of coal severance tax collections is allocated to the long-range building  
19 program account established in 17-7-205.

20 (3) The amount of 8.36% must be credited to an account in the state special revenue fund to be  
21 allocated by the legislature for local impacts, county land planning, provision of basic library services for  
22 the residents of all counties through library federations and for payment of the costs of participating in  
23 regional and national networking, conservation districts, and the Montana Growth Through Agriculture Act.  
24 Expenditures of the allocation may be made only from this account. Money may not be transferred from  
25 this account to another account other than the general fund. Any unreserved fund balance at the end of  
26 each fiscal year must be deposited in the general fund.

27 (4) The amount of 1.27% must be allocated to ~~a nonexpendable~~ an expendable trust fund for the  
28 purpose of parks acquisition or management. Income and principal from this trust fund ~~must~~ may be  
29 appropriated for the acquisition, development, operation, and maintenance of any sites and areas described  
30 in 23-1-102.

(5) The amount of 0.95% must be allocated to the debt service fund type to the credit of the renewable resource loan debt service fund.

(6) Beginning July 1, 1997, and ending June 30, 1999, the amount of 0.87% must be allocated to an account in the state special revenue fund for the purpose of protection of works of art in the state capitol and for other cultural and aesthetic projects. Beginning July 1, 1999, the amount of 0.63% must be allocated to a trust fund for the purpose of protection of works of art in the capitol and for other cultural and aesthetic projects. Income from this trust fund must be appropriated for protection of works of art in the state capitol and for other cultural and aesthetic projects.

(7) All other revenue from severance taxes collected under the provisions of this chapter must be credited to the general fund of the state."

**NEW SECTION. Section 2. Educational state park -- establishment.** (1) There is a state park to be known as the educational state park. The park is composed of:

(a) land in Fort Peck, adjacent to Kiwanis park, donated by the U.S. Army Corps of Engineers; and  
(b) land on which the Fort Peck dam interpretive center and museum and the Fort Peck cultural learning center will be constructed.

(2) The park will contain:  
(a) an I-MAX theater built and maintained by the state;  
(b) the Fort Peck dam interpretive center and museum; and  
(c) the Fort Peck cultural learning center.

(3) The department shall use \$1.5 million from the trust fund created in 15-35-108 for grants toward the construction of the Fort Peck cultural learning center and \$4 million for grants toward construction of the I-MAX theater.

(4) Maintenance of the park is the responsibility of the department.

**NEW SECTION. Section 3. Codification instruction.** [Section 2] is intended to be codified as an integral part of Title 23, chapter 1, and the provisions of Title 23, chapter 1, apply to [section 2].

**NEW SECTION. Section 4. Effective date.** [This act] is effective July 1, 2001.

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